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Message Text

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17
ORIGIN L-03

INFO OCT-01 NEA-10 ISO-00 H-03 AID-20 CIAE-00 COME-00

EB-11 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07

OPIC-12 SP-03 CIEP-02 LAB-06 SIL-01 OMB-01 NSC-07

SS-20 STR-08 CEA-02 /130 R

DRAFTED BY L/NEA:ATBROWN:DLS
APPROVED BY NEA:SSOBER
NEA/PAB:PDCONSTABLE
AID/ASIA:ADWHITE
AID/GC/ASIA:WBGAIR
L:AWROVINE
H: MR. SCHNEE
---------- 101010
R 180043Z APR 74
FM SECSTATE WASHDC
TO AMEMBASSY DACCA

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E.O. 11652: N/A
TAGS: EAID, BG
SUBJECT: AID BILATERAL AGREEMENT: PARA 4 REDRAFT

1. FOLLOWING IS REDRAFT PARA 4 SUBJECT AGREEMENT, DISCUSSED SEPTELS:

4(A)(I) THE GOVERNMENT OF THE UNITED STATES OF AMERICA, ANY AGENCY THEREOF, AND ANY CONTRACTOR OR SUPPLIER UNDER CONTRACT WITH OR FINANCED BY SUCH GOVERNMENT OR AGENCY, SHALL BE EXEMPT FROM LIABILITY FOR PAYMENT OF ALL TARIFFS, DUTIES, IMPORT AND EXPORT TAXES, OWNERSHIP AND USE TAXES, TAXES ON THE PURCHASE OR DISPOSITION OF PROPERTY, AND ALL OTHER TAXES AND SIMILAR CHARGES ASSESSED OR LEVIED UNDER THE LAWS OF THE PEOPLE'S REPUBLIC OF BANGLADESH OR ANY OF
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ITS GEOGRAPHICAL SUBDIVISIONS ON SUPPLIES, MATERIAL OR

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EQUIPMENT INTRODUCED INTO OR ACQUIRED IN BANGLADESH FOR PURPOSES OF ANY PROGRAM OR OPERATION UNDER THIS AGREEMENT, SUCH EXEMPTION TO REMAIN IN EFFECT FOR AS LONG AS SUCH SUPPLIES, MATERIAL OR EQUIPMENT ARE USED IN CONNECTION WITH ANY PROGRAM OR OPERATION CONDUCTED UNDER THIS AGREEMENT.

(II) IN THE EVENT THAT, UNDER CIRCUMSTANCES GIVING RISE TO AN EXEMPTION UNDER PARAGRAPH 4(A)(I), ANY TAX, DUTY OR OTHER CHARGE SHALL BE ASSESSED AND PAYABLE UNDER THE LAWS OF THE PEOPLE'S REPUBLIC OF BANGLADESH OR ANY OF ITS

GEOGRAPHICAL SUBDIVISIONS IN RESPECT TO ANY SUPPLIES, MATERIAL OR EQUIPMENT NOT EXEMPT UNDER PARAGRAPH 4(B)(I), SUCH ASSESSMENT SHALL BE PAID BY THE PEOPLE'S REPUBLIC OF BANGLADESH OR THE AGENCY THEREOF RESPONSIBLE FOR THE PROJECT OR OPERATION IN CONNECTION WITH WHICH SUCH SUPPLIES, MATERIALS OR EQUIPMENT ARE INTRODUCED OR ACQUIRED.

(III) WHENEVER ANY SUPPLIES, MATERIALS OR EQUIPMENT, IN RESPECT TO WHICH AN EXEMPTION HAS BEEN IN EFFECT UNDER PARAGRAPH 4(A)(I), SHALL CEASE TO BE USED IN CONNECTION WITH ANY PROGRAM OR OPERATION UNDER THIS AGREEMENT, ALL TAXES,DUTIES OR OTHER CHARGES THEN OR THEREAFTER PAYABLE SHALL BE PAID BY THE PERSON OR ENTITY RETAINING SUCH SUPPLIES, MATERIALS OR EQUIPMENT OR TO WHOM THEY ARE CONSIGNED OR SOLD.

(B) IN ADDITION TO AND NOT IN LIMITATION OF THE EXEMPTIONS GRANTED CERTAIN ENTITIES AND PERSONS IN PARAGRAPH 4(A)(I), THE FOLLOWING CATAGORIES OF SUPPLIES, MATERIALS AND EQUIPMENT SHALL BE EXEMPT FROM ALL TAXES, DUTIES AND OTHER CHARGES REFERRED TO IN PARAGRAPH 4(A)(I):

(I) ALL SUPPLIES, MATERIALS AND EQUIPMENT IMPORTED BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA, ANY AGENCY THEREOF, AND ANY CONTRACTOR OR SUPPLIER UNDER CONTRACT WITH OR FINANCED BY SUCH GOVERNMENT OR AGENCY IN CONNECTION WITH THE IMPLEMENTATION OF ANY PROGRAM OR OPERATION CONDUCTED HEREUNDER, PROVIDED SUCH SUPPLIES, MATERIALS OR LIMITED OFFICIAL USE

EQUIPMENT ARE RE-EXPORTED UPON COMPLETION OF SUCH PROGRAM OR OPERATION; AND

(II) ALL SUPPLIES, MATERIALS AND EQUIPMENT INTRODUCED INTO OR ACQUIRED IN THE PEOPLE'S REPUBLIC OF BANGLADESH BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF FOR THE OFFICIAL USE OF USAID OR ANY SUCCESSOR THEREOF, PROVIDED SUCH SUPPLIES, MATERIALS OR EQUIP-

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MENT ARE NOT DISPOSED OF IN THE PEOPLE'S REPUBLIC OF BANGLADESH UNLESS SUCH DISPOSITION IS MADE TO A PERSON OR ENTITY ENJOYING APPROPRIATE PRIVILEGES AND EXEMPTIONS OR IS OTHERWISE PERMITTED UNDER THE LAWS OF THE PEOPLE'S REPUBLIC OF BANGLADESH.

(C)(I) THE FOLLOWING PUBLIC AND PRIVATE ORGANIZATIONS AND PERSONNEL AND THEIR FAMILIES (OTHER THAN CORPORATIONS, CITIZENS OR PERMANENT RESIDENTS OF THE PEOPLE'S REPUBLIC OF BANGLADESH) PRESENT IN THE PEOPLE'S REPUBLIC OF BANGLADESH TO PERFORM WORK IN CONNECTION WITH THIS AGREEMENT SHALL BE EXEMPT FROM THE PAYMENT OF TAXES (WHETHER IN THE NATURE OF INCOME, SOCIAL SECURITY, PROFIT, BUSINESS OR OTHER TAXES) AND FEES LEVIED UNDER THE LAWS OF THE PEOPLE'S REPUBLIC OF BANGLADESH OR ANY OF ITS GEOGRAPHICAL SUBDIVISIONS:

(A) PUBLIC AND PRIVATE ORGANIZATIONS UNDER CONTRACT WITH THE GOVERNMENT OF THE UNITED STATES OF AMERICA, OR FINANCED BY GRANT ASSISTANCE PROVIDED BY SAID GOVERNMENT;

(B) EMPLOYEES OF AND INDIVIDUALS UNDER CONTRACT WITH THE GOVERNMENT OF THE UNITED STATES OF AMERICA;

(C) EMPLOYEES OF PUBLIC AND PRIVATE ORGANIZATIONS UNDER CONTRACT WITH THE GOVERNMENT OF THE UNITED STATES OF AMERICA; AND

(D) ALL OTHER PERSONNEL WHO ARE CITIZENS AND PERMANENT RESIDENTS OF THE UNITED STATES OF AMERICA, TO THE EXTENT THEY ARE EXEMPT UNDER THE INCOME TAX LAWS OF THE UNITED STATES OF AMERICA.
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(II) IF ANY OTHER ORGANIZATION OR PERSON (OTHER THAN A CORPORATION, CITIZEN OR PERMANENT RESIDENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH),OR ANY PERSON DESCRIBED IN PARAGRAPH 4(C)(I)(D) BUT NOT EXEMPT UNDER THE INCOME TAX LAWS OF THE UNITED STATES, PRESENT IN BANGLADESH TO PERFORM WORK IN CONNECTION WITH ANY PROGRAM OR OPERATION UNDER THIS AGREEMENT SHALL BE LIABLE UNDER THE LAWS OF THE PEOPLES REPUBLIC OF BANGLADESH OR ANY GEOGRAPHICAL SUBDIVISION THEREOF FOR PAYMENT OF ANY TAX OR FEE DESCRIBED IN PARAGRAPH 4(C)(I) WITH RESPECT TO INCOME UPON WHICH SUCH ORGANIZATION OR PERSON IS OBLIGATED TO PAY INCOME OR SOCIAL SECURITY TAXES TO ANY OTHER GOVERNMENT, THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH OR THE AGENCY THEREOF RESPONSIBLE FOR ADMINISTERING THE APPLICABLE PRO-

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GRAM R OPERATION WILL PAY SUCH BANGLADESH TAXES ON
BEHALF OF THE ORGANIZATION OR PERSON, UNLESS EXEMPTION
IS OTHERWISE GRANTED.

(D) ALL UNITED STATES GOVERNMENT EMPLOYEES AND THEIR
FAMILIES (OTHER THAN CITIZENS AND PERMANENT RESIDENTS OF
BANGLADESH , INCLUDED ON THE LIST PROVIDED FOR IN PARAGRAPH
3(B) ABOVE AND PRESENT IN BANGLADESH IN CONNECTION WITH
THE ADMINISTRATION OR IMPLEMENTATION OF THIS AGREEMENT,
SHALL ENJOY THE SAME PRIVILEGES AND EXEMPTIONS FROM THE
PAYMENT OF CUSTOMS, IMPORT AND EXPORT DUTIES ON ALL
PERSONAL AND HOUSEHOLD EFFECTS, EQUIPMENT AND SUPPLIES
(INCLUDING ONE AUTOMOBILE) AND CONSUMABLE ITEMS IMPORTED
INTO BANGLADESH FOR THEIR OWN USE AS ARE ACCORDED BY THE

GOVERNMENT OF BANGLADESH TO THE PERSONNEL OF COMPARABLE
RANK AND CATEGORY OF THE EMBASSY OF THE UNITED STATES OF
AMERICA. ALL PERSONNEL AND THEIR FAMILIES (OTHER THAN
CITIZENS AND PERMANENT RESIDENTS OF BANGLADESH) WHO ARE
EMPLOYEES OF PUBLIC OR PRIVATE ORGANIZATIONS UNDER CON-
TRACT WITH OR FINANCED BY, AND ALL INDIVIDUALS UNDER
CONTRACT WITH OR FINANCED BY USAID OR ANY SUCCESSOR AGENCY
IN BANGLADESH IN CONNECTION WITH THE ADMINISTRATION OR
IMPLEMENTATION OF THIS AGREEMENT SHALL BE EXEMPT FROM THE
PAYMENT OF CUSTOMS, IMPORT AND EXPORT DUTIES ON ALL PER-
SONAL AND HOUSEHOLD EFFECTS, EQUIPMENT AND SUPPLIES (IN-
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CLUDING ONE AUTOMOBILE) AND A REASONABLE AMOUNT OF CON-
SUMABLE ITEMS IMPORTED INTO BANGLADESH FOR THEIR OWN USE
AT THE TIME OF FIRST INSTALLATION; IN ADDITION, EACH SUCH
PERSON AND EACH MEMBER OF HIS FAMILY WILL BE ENTITLED TO
CUSTOMS-FREE IMPORT OF A REASONABLE AMOUNT OF CONSUMABLE
ITEMS AFTER FIRST INSTALLATION AS AGREED TO BY THE GOVERN-
MENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH.

(E) (AS PER FORMER 4(D).)

2. NOTE: WE BELIEVE THE ABOVE DOES NOT ALTER SUBSTANCE
OF DRAFT AGREED UPON BY BDG. ROMAN SUB-PARAGRAPH NOS. -
E.G. (I) - SHOULD BE LOWER CASE; IN PARA (C)(I), SUB-
PARAGRAPH DESIGNATIONS (A), (B), (C) AND (D) SHOULD BE
LOWER CASE. KISSINGER

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NNN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
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Current Classification: UNCLASSIFIED
Concepts: AGREEMENT DRAFT, FOREIGN ASSISTANCE, TAXES, TAX RELIEF
Control Number: n/a
Copy: SINGLE
Draft Date: 18 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: ATBROWN:DLS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740089-1096
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740432/aaaabcsb.tel
Line Count: 216
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN L
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
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Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
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Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: AID BILATERAL AGREEMENT: PARA 4 REDRAFT
TAGS: EAID, BG, US
To: DACCA
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